

STATE PERSONNEL BOARD CALENDAR



JANUARY 13, 2004

SACRAMENTO, CALIFORNIA

State of California

Memorandum

DATE: January 2, 2004

TO: ALL INTERESTED PARTIES

FROM: STATE PERSONNEL BOARD -- Appeals Division

SUBJECT: Notice and Agenda for the January 13, 2004, meeting of the State Personnel Board.

PLEASE TAKE NOTICE that on January 13, 2004, at the offices of the State Personnel Board, located at 801 Capitol Mall, Room 150, Sacramento, California, the State Personnel Board will hold its regularly scheduled meeting.

The attached Agenda provides a brief description of each item to be considered and lists the date and approximate time for discussion of the item.

Also noted is whether the item will be considered in closed or public session. Closed sessions are closed to members of the public. All discussions held in public sessions are open to those interested in attending. Interested members of the public who wish to address the Board on a public session item may request the opportunity to do so.

Should you wish to obtain a copy of any of the items considered in the public sessions for the January 13, 2004, meeting, please contact staff in the Secretariat's Office, State Personnel Board, 801 Capitol Mall, MS 22, Sacramento, CA 95814 or by calling (916) 653-0429 or TDD (916) 654-2360, or the Internet at:

<http://www.spb.ca.gov/calendar.htm>

Notice and Agenda
Page 2
January 2, 2004

Should you have any questions regarding this Notice and Agenda, please contact staff in the Secretariat's Office at the address or telephone numbers above.

TAMARA LACEY
Secretariat's Office

Attachment

CALIFORNIA STATE PERSONNEL BOARD MEETING*
801 Capitol Mall
Sacramento, California

Public Session Location - Room 150

Closed Session Location - Room 141

FULL BOARD MEETING AGENDA**

JANUARY 13, 2004

PUBLIC SESSION OF THE STATE PERSONNEL BOARD

- 9:00 - 9:30 1. ROLL CALL
2. REPORT OF THE EXECUTIVE OFFICER
- Report of Laura Aguilera
Interim Executive Officer
State Personnel Board
3. REPORT OF THE CHIEF COUNSEL
4. NEW BUSINESS
(Items may be raised by Board Members for
scheduling and discussion at future meet-
ings.)
5. REPORT ON LEGISLATION

* Sign Language Interpreter will be provided for Board Meeting upon request - contact Secretariat at (916) 653-0429, or CALNET 453-0429, TDD (916) 654-2360.

** The Agenda for the Board can be obtained at the following Internet address: <http://www.spb.ca.gov/calendar.htm>

6. PERS UPDATE

CLOSED SESSION OF THE STATE PERSONNEL BOARD

9:30 -

7. DELIBERATION ON ADVERSE ACTION, DISCRIMINATION COMPLAINT, AND OTHER PROPOSED DECISIONS SUBMITTED BY ADMINISTRATIVE LAW JUDGES
Deliberations on matter submitted at prior hearing, on proposed decisions, petitions for rehearing, rejected decisions, remanded decisions, submitted decisions, and other matters related to cases heard by administrative law judges of the State Personnel Board or by the Board itself. [Government Code Sections 11126 (d), and 18653 (2).]

8. PENDING LITIGATION
Conference with legal counsel to confer with and receive advice regarding pending litigation when discussion in open session would be prejudicial. [Government Code Sections 11126 (e) (1), 18653.]

State Personnel Board (SPB) v. Department of Personnel Administration (DPA)/International Union of Operating Engineers (IUOE) et al.
(Sacramento County Superior Court Case No. 01CS00109)

Association of California State Attorneys and Administrative Law Judges v. DPA/California Department of Forestry Employees Association (AKA) CDF Firefighters
Court of Appeal, Third District No. C034943
(Sacramento County Superior Court No. 99CS00260)

SPB v. DPA/Department of Forestry & Fire Protection et al; CDF Firefighters
Court of Appeal Case No. C032633
(Sacramento County Superior Court Case No. 98CS03314)

IUOE v. SPB/Public Employee Relations Board (PERB)
Unfair Practice Case No. SA-CE-1295-S

Connerly v. SPB

SPB v. DPA/California State Employees
Association (Post and Promote)

California Youth Authority v. SPB (King)
SPB Decision 99-11

9. RECOMMENDATIONS TO THE LEGISLATURE
Deliberations on recommendations to the
Legislature. [Government Code Section 18653.]
10. RECOMMENDATIONS TO THE GOVERNOR
Deliberations on recommendations to the
Governor. [Government Code Section 18653.]

PUBLIC SESSION OF THE STATE PERSONNEL BOARD

On Adjournment:

11. DISCUSSION OF COMING BOARD MEETING SCHEDULE
OF JANUARY 28, 2004, SACRAMENTO, CALIFORNIA

BOARD ACTIONS

12. ADOPTION OF THE STATE PERSONNEL BOARD SUMMARY
MINUTES OF DECEMBER 16, 2003
13. ACTION ON SUBMITTED ITEMS
(See Agenda Page 19)
These items have been taken under submission
by the State Personnel Board at a prior
meeting and may be before the Board for a
vote at this meeting. This list does not
include evidentiary cases, as those cases are
listed separately by category on this agenda
under Evidentiary Cases.
14. EVIDENTIARY CASES
The Board Administrative Law Judges conducts
Evidentiary hearings in appeals that include,
but are not limited to, adverse

actions, medical terminations, demotions, discrimination, reasonable accommodations, and whistleblower complaints.

A. BOARD CASES SUBMITTED

These cases have been taken under submission by the State Personnel Board at a prior meeting and may be before the Board for a vote at this meeting.

ELEANORE CHASSEY, CASE NO. 03-1173
Appeal from five-days suspension
Administrative Law Judge I
Unemployment Insurance Appeals Board

RICHARD COELHO, CASE NO. 02-1796R
Appeal from constructive medical termination
Fish and Game Warden
Department of Fish and Game

CYNTHIA GEORGE, CASE NOS. 02-4017 & 03-1058
Appeal from a two weeks and a three weeks suspension
Administrative Law Judge
Unemployment Insurance Appeals Board

B. CASES PENDING

- Oral Arguments
These cases are on calendar to be argued at this meeting or to be considered by the Board in closed session based on written arguments submitted by the parties.

NONE

C. CHIEF COUNSEL RESOLUTIONS

- Court Remands
These cases have been remanded to the Board by the court for further Board action.

NONE

- Stipulations

These stipulations have been submitted to the Board for Board approval, pursuant to Government Code, section 18681.

EVA JENSEN, CASE NO. 02-0518R
Appeal from Dismissal
Registered Nurse (Safety)
Department of Mental Health

D. ADMINISTRATIVE LAW JUDGE'S (ALJ) PROPOSED DECISIONS

- Proposed Decisions

These are ALJ proposed decisions submitted to the Board for the first time.

RICK BLYTHE, CASE NO. 03-0315E
Appeal from discrimination and retaliation
Office Assistant
State Prison - Tehachapi
Department of Corrections

CYNTHIA CHAIN, CASE NO. 02-4056E
Appeal from discrimination
Air Pollution Specialist
Air Resources Board

DANIEL HARPER, CASE NO. 03-2226
Appeal from rejection during probationary period
Cook I (Correctional Facility)
Department of the Youth Authority

ELIZABETH HERRERA, CASE NO. 03-2220
Appeal from constructive medical termination
Administrative Support Coordinator I
San José State University at San José

CONNIE JOHNSON, CASE NO. 03-2620
Appeal from 30 calendar days suspension
Employment Program Representative
Employment Development Department

PAUL KEWALLAL, CASE NO. 03-2188
Appeal from Official Reprimand
Registered Nurse
North Kern State Prison
Department of Corrections

DEBRA KIRK, SPB Case 03-2946
Appeal from dismissal
Psychiatric Technician Assistant
Department of Developmental Services

NEIL MADDEN, CASE NO. 03- 1682
Appeal from five percent reduction
in salary for three months
Correctional Officer
Centinela State Prison - Imperial
Department of Corrections at Imperial

JAMES D. McCULLOUGH, CASE NO.03-2105
Appeal from dismissal
Computer Operator
Office of the State Controller

CHRISTOPHER M. McGANN, CASE NO. 03-2531
Appeal from suspension for twenty five
workdays
Motor Vehicle Field Representative
Department of Motor Vehicles

ALLEN MILLER, CASE NO. 03-2099
Appeal from 20 days suspension
Employment Program Counselor
Employment Development Department

CHRISTOPHER MIRAMONTES, CASE NO. 03-2299
Appeal from five percent reduction in
salary for six months
Special Agent
Department of Corrections

JOE ORDONEZ, CASE NO. 03-2723
Appeal from Official Reprimand
Correctional Officer
Avenal State Prison
Department of Corrections

PAULA ROHLAND, CASE NO.03-0687
Appeal from 30 working days suspension
Correctional Officer
State Prison - Lancaster
Department of Corrections
DIANA D. SMITH, CASE NO. 03-0904

Appeal from demotion from the position
of Facility Captain to the position of
Correctional Counselor II-Specialist
California Institution for Men - Chino
Department of Corrections

Proposed Decisions Taken Under
Submission At Prior Meeting

These are ALJ proposed decisions
taken under submission at a prior
Board meeting, for lack of majority
vote or other reason.

- Proposed Decisions After Board
Remand

FRANK OLIVAS, CASE NO. 02-3390
Appeal from demotion
Correctional Sergeant to
Correctional Officer
Blythe - State Prison
Department of Corrections

- Proposed Decisions After SPB
Arbitration

NONE

E. PETITIONS FOR REHEARING

FRIEDERICH GARST, CASE NO. 03-08530
Appeal from denial of request for
Reasonable Accommodation
Associate Tax Auditor
Board of Equalization
Petition for rehearing filed by
Appellant to be granted or denied

JOHN RAMIREZ, CASE NO. 02-4397P
Appeal from 30 calendar days suspension
Correctional Officer
Tracy - Vocational Institution
Department of Corrections
Petition for Rehearing filed by
Appellant to be granted or denied

YVONNE AND HOWARD YOUNG,
CASE NOS. 03-1644P & 03-1890P
Appeal from ten percent reduction
in salary for twelve months
Fire Captain and Correctional
Sergeant, respectively
Pleasant Valley State Prison - Coalinga
Department of Corrections
Petition for rehearing filed by
Respondent to be granted or denied

- On ALJ Proposed Decisions Adopted
By The Board

The Board will vote to grant or
deny a petition for rehearing filed
by one or both parties, regarding a
case already decided by the Board.

NONE

- On Whistleblower Notice of Findings

The Board will vote to grant or
deny a petition for rehearing filed
by one or both parties, regarding a
Notice of Findings issued by the
Executive Officer under Government
Code, section 19682 et seq. and
Title 2, California Code of
Regulations, section 56 et seq.

NONE

F. PENDING BOARD REVIEW

These cases are pending preparation of
transcripts, briefs, or the setting of
oral argument before the Board.

DORYANNA ANDERSON-JOHNSON, CASE NO.00-
1687

Appeal from denial of reasonable
accommodation
Correctional Lieutenant
California Rehabilitation Center - Norco
Department of Corrections

SAMUEL BRYANT, CASE NO. 00-4238
Appeal from dismissal
Youth Correctional Officer
Department of Youth Authority

RANDALL DODSON, Case No. 03-1587
Appeal from non-punitive termination
Caltrans Equipment Operator I
Department of Transportation

RAYMOND ERNANDEZ, CASE NO. 01-4251
Appeal from five percent reduction in
salary for six months
Correctional Officer
California Institution for Men - Chino
Department of Corrections

FRANK GARCIA, CASE NO. 03-1906
Appeal from Dismissal
Caltrans Highway
Maintenance Worker
Department of
Transportation

CYNTHIA GEORGE, CASE NO. 03-2494
Appeal from suspension
Unemployment Insurance Appeals Board

VALERIE GODFREY, CASE NO. 98-1070R
Appeal from dismissal
Youth Correctional Counselor
Department of Youth Authority

DONALD HERMANS, CASE NO. 03-0384
Appeal from dismissal
Correctional Officer
California State Prison - Lancaster
Department of Corrections

MARY HUTTNER, CASE NO. 02-1690
Appeal from demotion
Staff Services Manager I to the
position of Associate Health Program
Advisor (top step)
Department of Health Services

MAMIE JONES, CASE NO. 02-4441
Appeal from ten percent reduction in
Salary for five months
Dispatcher Clerk
Department of Transportation

PAUL H. KEMP, Case No. 01-2841
Appeal from dismissal
Teacher Assistant - Youth Correctional
Reception Center and Clinic - Sacramento
Department of the Youth Authority

YVETTE MACK, CASE 03-0453
Appeal from 20 work days suspension
Administrative Support Coordinator I
CSU - Dominguez Hills

FRANK OLIVAS, CASE NO. 02-3390
Appeal from demotion
Correctional Sergeant to
Correctional Officer
Blythe - State Prison
Department of Corrections

NANCY SEARS, CASE NO. 02-2444
Appeal from two step reduction in
salary for 12 months and transfer/
reassignment
Parole Agent I (Adult Parole)
Department of Corrections - Sacramento

ELANGO VAN SITTRAMBARAM, CASE NO. 03-2401
Appeal from suspension for six months
Student Administration Technical
Programmer/Analyst
California State University - Long Beach

NANCY VALENTINO, CASE NO. 03-0699
Appeal from dismissal
Psychiatric Technician
Department of Developmental Services

ALICE VAN-THU, CASE NO. 03-0413
Appeal from automatic resignation
Administrative Support Coordinator I
CSU - San Jose

BOBBY WANG, CASE NO. 02-2684
Appeal from dismissal
Motor Vehicle Field Representative
Department of Motor Vehicles

BEVERLY WILSON, CASE NO. 03-1150
Appeal from dismissal
Administrative Support Assistant II
California State University

15. RESOLUTION EXTENDING TIME UNDER GOVERNMENT
CODE SECTION 18671.1 EXTENSION
(See Agenda Page 22)

16. NON-EVIDENTIARY CASES

A. WITHHOLD APPEALS

Cases heard by a Staff Hearing Officer, a managerial staff member of the State Personnel Board or investigated by Appeals Division staff. The Board will be presented recommendations by a Staff Hearing Officer or Appeals Division staff for final decision on each appeal.

MICHAEL BRANSHAW, CASE NO. 03-0615
Classification: Correctional Officer
Department of Corrections

WILLIAM DUNDES, CASE NO. 03-0641
Classification: Correctional Officer
Department of Corrections

WILLIAM FOSTER, CASE NO. 03-0721
Classification: Correctional Officer
Department of Corrections

STEWART GEORGEON, CASE NO. 02-2869
Classification: Correctional Officer
Department of Corrections

PEDRO GRAJEDA, CASE NO. 03-0339
Classification: Correctional Officer
Department of Corrections

JUAN IBARRA, CASE NO. 03-0746
Classification: Correctional Officer
Department of Corrections

REGINALD JOHNSON, CASE NO. 03-1051
Classification: Correctional Officer
Department of Corrections

CHRISTOPHER LAMBERT, CASE NO. 03-1050
Classification: Correctional Officer
Department of Corrections

RICHARD LANDERS, CASE NO. 03-1055
Classification: Correctional Officer
Department of Corrections

SERAFIN LOPEZ, CASE NO. 03-1049
Classification: Correctional Officer
Department of Corrections

AMANDA MUNOZ, CASE NO. 03-1057
Classification: Correctional Officer
Department of Corrections

JOSHUA OCHOA, CASE NO. 03-0196
Classification: Correctional Officer
Department of Corrections

FELIPE RODRIGUEZ, CASE NO. 03-0402
Classification: Cadet, CHP
California Highway Patrol

CARL SELORIO, CASE NO. 03-0151
Classification: Correctional Officer
Department of Corrections

BILLY WILLIAMS, CASE NO. 02-3684
Classification: Correctional Officer
Department of Corrections

B. MEDICAL AND PSYCHOLOGICAL SCREENING
APPEALS - NONE

Cases heard by a Staff Hearing Panel
comprised of a managerial staff member of
the State Personnel Board and a medical
professional. The Board will be

presented recommendations by a Hearing Panel on each appeal.

C. EXAMINATION APPEALS - NONE

MINIMUM QUALIFICATIONS - NONE

MERIT ISSUE COMPLAINTS - NONE

Cases heard by a Staff Hearing Officer, a managerial staff member of the State Personnel Board or investigated by Appeals Division staff. The Board will be presented recommendations by a Staff Hearing Officer or Appeals Division staff for final decision on each appeal.

D. RULE 212 OUT-OF-CLASS APPEALS - NONE

VOIDED APPOINTMENT APPEALS - NONE

RULE 211 APPEALS - NONE

Cases heard by a Staff Hearing Officer, or a managerial staff member of the State Personnel Board. The Board will be presented recommendations by a Staff Hearing Officer for final decision on each appeal.

E. REQUEST TO FILE CHARGES CASES - NONE

PETITION FOR REHEARING CASE

Investigated by Appeals Division staff.

The Board will be presented recommendations by Appeals Division staff for final decision on each request.

(Petition for Rehearing)

EDMOND BAKER, CASE NO. 02-4353P

Classification: Correctional Officer
Department of Corrections

F. PSYCHOLOGICAL SCREENING CASES

Cases reviewed by Appeals Division staff, but no hearing was held. It is anticipated that the Board will act on these proposals without a hearing.

DEREK HARRISON, CASE NO. 03-3387

Classification: Correctional Officer
Department of Corrections

GLAFIRA MALDONADO, CASE NO. 03-3388
Classification: Medical Technical
Assistant, CF
Department of Corrections

JEFFREY TALLEY, CASE NO. 03-3456
Classification: Correctional Officer
Department of Corrections

17. NON-HEARING CALENDAR

The following proposals are made to the State Personnel Board by either the Board staff or Department of Personnel Administration staff. It is anticipated that the Board will act on these proposals without a hearing.

Anyone with concerns or opposition to any of these proposals should submit a written notice to the Executive Officer clearly stating the nature of the concern or opposition. Such notice should explain how the issue in dispute is a merit employment matter within the Board's scope of authority as set forth in the State Civil Service Act (Government Code Section 18500 et seq.) and Article VII, California Constitution. Matters within the Board's scope of authority include, but are not limited to, personnel selection, employee status, discrimination and affirmative action. Matters outside the Board's scope of authority include, but are not limited to, compensation, employee benefits, position allocation, and organization structure. Such notice must be received not later than close of business on the Wednesday before the Board meeting at which the proposal is scheduled. Such notice from an exclusive bargaining representative will not be entertained after this deadline, provided the representative has received advance notice of the classification proposal pursuant to the applicable memorandum of understanding. In investigating matters outlined above, the Executive Officer shall act as the Board's authorized representative and recommend the Board either act on the proposals as submitted without a hearing or

schedule the items for a hearing, including a staff recommendation on resolution of the merit issues in dispute.

- A. CHIEF INVESTMENT OFFICER, CHIEF ACTUARY, SENIOR INVESTMENT OFFICER (Global Equities, Fixed Income, Alternative Investments, Real Estate and Asset Allocation/Risk Management), SENIOR PORTFOLIO MANAGER (Global Equities, Fixed Income, Alternative Investments, and Real Estate), PORTFOLIO MANAGER (Global Equities, Fixed Income, Alternative Investments and Real Estate), INVESTMENT MANAGER (Asset Allocation/Risk Management)
The California Public Employees' Retirement System proposes to establish the above managerial designated civil service classes and parenthetical class services, each with a 12 month probationary period.

18. STAFF CALENDAR ITEMS FOR BOARD INFORMATION
NONE PRESENTED

19. CAREER EXECUTIVE ASSIGNMENT (CEA) CATEGORY ACTIVITY
This section of the Agenda serves to inform interested individuals and departments of proposed and approved CEA position actions.

The first section lists position actions that have been proposed and are currently under consideration.

Any parties having concerns with the merits of a proposed CEA position action should submit their concerns in writing to the Classification and Compensation Division of the Department of Personnel Administration, the Personnel Resources and Innovation Division of the State Personnel Board, and the department proposing the action.

To assure adequate time to consider objections to a CEA position action, issues should be presented immediately upon receipt of the State Personnel Board Agenda in which the proposed position action is noticed as being under consideration, and generally no later than a week to ten days after its publication.

In cases where a merit issue has been raised regarding a proposed CEA position action and the dispute cannot be resolved, a hearing before the five-member Board may be scheduled. If no merit issues are raised regarding a proposed CEA position action, and it is approved by the State Personnel Board, the action becomes effective without further action by the Board.

The second section of this portion of the Agenda reports those position actions that have been approved. They are effective as of the date they were approved by the Executive Officer of the State Personnel Board.

A. REQUESTS TO ESTABLISH NEW CEA POSITIONS
CURRENTLY UNDER CONSIDERATION

- (1) ASSISTANT DEPUTY DIRECTOR,
PROCUREMENT DIVISION
The Department of General Services proposes to allocate the above position to the CEA category. The Assistant Deputy Director, Procurement Division is responsible for policy development focused outward, on the contracting activity that is conducted by state agencies under delegation by the Procurement Division.
- (2) GENERAL COUNSEL
The California Earthquake Authority proposes to allocate the above position to the CEA category. The General Counsel is responsible for all legal components for all the California Earthquake Authority functions and supporting policy,

including finance, operations, non-insurance program activities, marketing, and public and policy holder outreach and education.

- (3) PROJECT DIRECTOR, SYSTEM INTEGRATION DIVISION, UNEMPLOYMENT INSURANCE MODERNIZATION PROJECT
The Health and Human Services Data Center proposes to allocate the above position to the CEA category. The Project Director, System Integration Division, Unemployment Insurance Modernization Project is responsible for the daily operation and oversight of the redesign, testing, and implementation of the Employment Development Department's Unemployment Insurance Modernization Project.
- (4) DEPUTY DIRECTOR, OFFICE OF PROBLEM GAMBLING
The Department of Alcohol and Drug Problems proposes to allocate the above position to the CEA category. The Deputy Director, Office of Problem Gambling is responsible for the strategic and policy setting function for the effective management, planning, direction, and oversight of activities related to the creation and ongoing operation of the Office of Problem Gambling.
- (5) MEDICAL DIRECTOR, COALINGA STATE HOSPITAL
The Department of Mental Health proposes to allocate the above position to the CEA category. The Medical Director, Coalinga State Hospital is responsible for establishing, implementing and monitoring all medical treatment programs and services within the facility, including establishing medical and clinical

policy/procedures for hospital
implementation.

B. EXECUTIVE OFFICER DECISIONS REGARDING
REQUESTS TO ESTABLISH NEW CEA POSITIONS

- (1) INFORMATION SECURITY OFFICER
The employment Development
Department's request to establish
the above position to the CEA
category has been disapproved
effective November 25, 2003.
- (2) CHIEF, BOARDS AND COMMISSIONS
The State Treasurer's Office has
withdrawn their request to
establish the above position to the
CEA category effective November 12,
2003.
- (3) CHIEF, BOARDS AND COMMISSIONS
The Employment Development
Department on behalf of the Labor
and Workforce Agency has withdrawn
their request to establish the
above position to the CEA category
effective November 12, 2003.

20. WRITTEN STAFF REPORT FOR BOARD INFORMATION

NONE PRESENTED

21. PRESENTATION OF EMERGENCY ITEMS AS NECESSARY

A D J O U R N M E N T

SUBMITTED

1. TEACHER STATE HOSPITAL (SEVERLY), ETC. Departments of Mental Health and Developmental Services. (Hearing held December 3, 2002).
2. VOCATIONAL INSTRUCTOR (SAFETY) (VARIOUS SPECIALTIES).
Departments of Mental Health and Developmental Services.
(Hearing held December 3, 2002).
3. TELEVISION SPECIALIST (SAFETY)
The Department of Corrections proposes to establish the new classification Television Specialist (Safety) by using the existing Television Specialist class specification and adding "Safety" as a parenthetical to recognize the public aspect of their job, additional language will be added to the Typical Tasks section of the class specification and a Special Physical Characteristics section will be added.
(Presented to Board March 4, 2003).
4. PSC NO. 03-04
Appeal of the California Department of Education and McGeorge School of Law from the Executive Officer's April 30, 2003, disapproval of a contract for special education mediation conferences and due process hearings.
(Hearing held October 7, 2003).

NOTICE OF GOVERNMENT CODE § 18671.1 RESOLUTION

Since Government Code section 18671.1 requires that cases pending before State Personnel Board Administrative Law Judges (ALJ's) be completed within six months or no later than 90 days after submission of a case, whichever is first, absent the publication of substantial reasons for needing an additional 45 days, the Board hereby publishes its substantial reasons for the need for the 45-day extension for some of the cases now pending before it for decision.

An additional 45 days may be required in cases that require multiple days of hearings, that have been delayed by unusual circumstances, or that involve any delay generated by either party (including, but not limited to, submission of written briefs, requests for settlement conferences, continuances, discovery disputes, pre-hearing motions). In such cases, six months may be inadequate for the ALJ to hear the entire case, prepare a proposed decision containing the detailed factual and legal analysis required by law, and for the State Personnel Board to review the decision and adopt, modify or reject the proposed decision within the time limitations of the statute.

Therefore, at its next meeting, the Board will issue the attached resolution extending the time limitation by 45 days for all cases that meet the above criteria, and that have been before the Board for less than six months as of the date of the Board meeting.

GOVERNMENT CODE § 18671.1 RESOLUTION

WHEREAS, Section 18671.1 provides that, absent waiver by the appellant, the time period in which the Board must render its decision on a petition pending before it shall not exceed six months from the date the petition was filed or 90 days from the date of submission; and

WHEREAS, Section 18671.1 also provides for an extension of the time limitations by 45 additional days if the Board publishes substantial reasons for the need for the extension in its calendar prior to the conclusion of the six-month period; and

WHEREAS, the Agenda for the instant Board meeting included an item titled "Notice of Government Code § 18671.1 Resolution" which sets forth substantial reasons for utilizing that 45-day extension to extend the time to decide particular cases pending before the Board;

WHEREAS, there are currently pending before the Board cases that have required multiple days of hearing and/or that have been delayed by unusual circumstances or by acts or omissions of the parties themselves;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the time limitations set forth in Government Code section 18671.1 are hereby extended an additional 45 days for all cases that have required multiple days of hearing or that have been delayed by acts or omissions of the parties or by unusual circumstances and that have been pending before the Board for less than six months as of the date this resolution is adopted.

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**CALIFORNIA STATE PERSONNEL BOARD**

GRAY DAVIS, Governor

801 Capitol Mall • Sacramento, California 95814 • www.spb.ca.gov

(Cal. 1/13/04)

**TO: Members
State Personnel Board**

FROM: State Personnel Board - Legislative Office

SUBJECT: LEGISLATION

There is no written legislative report at this time. I will give a verbal presentation on any legislative action that has taken place that will be of interest to the Board.

Please contact me directly should you have any questions or comments regarding any bills in which you may have an interest. I can be reached at (916) 653-0453.

A handwritten signature in cursive script that reads 'Sherry Hicks'.

Sherry Hicks
Director of Legislation

STATE PERSONNEL BOARD

NON-HEARING CALENDAR

RE: BOARD CALENDAR JANUARY 13, 2004

(Cal. 1/13/04)

MEMO TO: STATE PERSONNEL BOARD

FROM: KAREN COFFEE, Chief, Merit Employment and Technical
Resources Division

SUBJECT: Non-Hearing Calendar Items for Board Action.

Staff have evaluated these items and recommend the following
action be taken:

PAGE

- A. CHIEF INVESTMENT OFFICER, CHIEF ACTUARY,
SENIOR INVESTMENT OFFICER (Global Equities,
Fixed Income, Alternative Investments, Real Estate
and Asset Allocation/Risk Management), SENIOR
PORTFOLIO MANAGER (Global Equities, Fixed Income,
Alternative Investments, and Real Estate),
PORTFOLIO MANAGER (Global Equities, Fixed Income,
Alternative Investments and Real Estate),
INVESTMENT MANAGER (Asset Allocation/Risk Management)
The California Public Employees' Retirement System
proposes to establish the above managerial designated
civil service classes and parenthetical class services,
each with a 12 month probationary period.

201

Board Calendar-January 13, 2004

TO: STATE PERSONNEL BOARD

FROM: Karen A. Lynch,
Staff Personnel Program Analyst
Department of Personnel Administration

REVIEWED BY: Josie Fernandez
Program Manager
Department of Personnel Administration

SUBJECT: The California Public Employees Retirement System (CalPERS) requests establishment of the following civil service classes and parenthetical class series which will correctly allocate and allow for examination and compensation of incumbents performing investment and actuarial management tasks:

Chief Investment Officer
Senior Investment Officer (Global Equities, Fixed Income, Alternative Investments, Real Estate and Asset Allocation/Risk Management)
Senior Portfolio Manager (Global Equities, Fixed Income, Alternative Investments, and Real Estate)
Portfolio Manager (Global Equities, Fixed Income, Alternative Investments and Real Estate)
Investment Manager (Asset Allocation/Risk Management)
Chief Actuary

SUMMARY OF ISSUES: Recent passage of SB 269, Soto, authorizes the CalPERS Board of Administration to appoint and fix the compensation of Senior-level Investment Officers, Portfolio Managers and an Actuary even though such employees are civil service appointees. Such appointees are to be designated Managerial pursuant to Government Code Section 18801.1.

This proposal establishes appropriate civil service classifications for Senior Investment Office staff and the Chief Actuary. Establishment of such classes will allow CalPERS to examine and make civil service appointments for the functions cited in SB 269, correctly allocate duties presently being performed, and compensate employees within the legal parameters of the new legislation.

State Personnel Board
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CONSULTED WITH:

Pete Strom, Cooperative Personnel Services
Marie Powell, Cooperative Personnel Services
Tom Pettey, CalPERS
Chris O'Brien, CalPERS
Betty Taormina, CalPERS
Jennifer Roche, State Personnel Board
Frank Marr, Department of Personnel Administration

CLASSIFICATION CONSIDERATIONS:

See Attached B Classification Considerations

RECOMMENDATIONS:

1. That the following classifications be established:

Chief Actuary, Public Employees' Retirement System
Chief Investment Officer, Public Employees' Retirement System
Investment Manager, Public Employees' Retirement System (Asset Allocation/Risk Management)
Senior Investment Officer, Public Employees' Retirement System (Asset Allocation/Risk Management)
Portfolio Manager, Public Employees' Retirement System (Alternative Investments)
Senior Portfolio Manager, Public Employees' Retirement System (Alternative Investments)
Senior Investment Officer, Public Employees' Retirement System (Alternative Investments)
Portfolio Manager, Public Employees' Retirement System (Fixed Income)
Senior Portfolio Manager, Public Employees' Retirement System (Fixed Income)
Senior Investment Officer, Public Employees' Retirement System (Fixed Income)
Portfolio Manager, Public Employees' Retirement System (Global Equities)
Senior Portfolio Manager, Public Employees' Retirement System (Global Equities)
Senior Investment Officer, Public Employees' Retirement System (Global Equities)
Portfolio Manager, Public Employees' Retirement System (Real Estate)
Senior Portfolio Manager, Public Employees' Retirement System (Real Estate)
Senior Investment Officer, Public Employees' Retirement System (Real Estate)

2. The following proposed specifications as shown in this calendar be adopted:

Chief Actuary, Public Employees' Retirement System
 Chief Investment Officer, Public Employees' Retirement System
 Senior Investment Officer/Manager, Public Employees' Retirement System (Asset Allocation/Risk Management) Series Specification
 Senior Investment Officer/Manager, Public Employees' Retirement System (Alternative Investments) Series Specification
 Senior Investment Officer/Manager, Public Employees' Retirement System (Fixed Income) Series Specification
 Senior Investment Officer/Manager, Public Employees' Retirement System (Global Equities) Series Specification
 Senior Investment Officer/Manager, Public Employees' Retirement System (Real Estate) Series Specification

3. A 12-month probationary period be established for the following classes:

Chief Actuary, Public Employees' Retirement System
 Chief Investment Officer, Public Employees' Retirement System
 Investment Manager, Public Employees' Retirement System (Asset Allocation/Risk Management)
 Senior Investment Officer, Public Employees' Retirement System (Asset Allocation/Risk Management)
 Portfolio Manager, Public Employees' Retirement System (Alternative Investments)
 Senior Portfolio Manager, Public Employees' Retirement System (Alternative Investments)
 Senior Investment Officer, Public Employees' Retirement System (Alternative Investments)
 Portfolio Manager, Public Employees' Retirement System (Fixed Income)
 Senior Portfolio Manager, Public Employees' Retirement System (Fixed Income)
 Senior Investment Officer, Public Employees' Retirement System (Fixed Income)
 Portfolio Manager, Public Employees' Retirement System (Global Equities)
 Senior Portfolio Manager, Public Employees' Retirement System (Global Equities)
 Senior Investment Officer, Public Employees' Retirement System (Global Equities)
 Portfolio Manager, Public Employees' Retirement System (Real Estate)
 Senior Portfolio Manager, Public Employees' Retirement System (Real Estate)
 Senior Investment Officer, Public Employees' Retirement System (Real Estate)

BACKGROUND

1. Provide some historical perspective about the organizational setting of the subject class(es) and the needs that this request addresses.

The California Public Employees' Retirement System (CalPERS) is the largest public pension plan, and the 39th largest money management institution, in the United States. Proposition 162, passed in 1992, granted California public retirement systems plenary authority over investment decisions and the administration of each system to ensure prompt delivery of benefits and related services to members and beneficiaries. Under Proposition 162, CalPERS used its plenary authorities to appoint additional exempt employees to perform a wide range of investment-related duties. This included the Chief Investment Officer, Senior Investment Officers, Senior Principal Investment Officers, Portfolio Managers, and Chief Actuary. Salary rates for the initial exempt appointees performing these duties were approved by the Department of Personnel Administration (DPA), and exempt salary setting authority was delegated by DPA to the CalPERS Board of Administration. Since that time, CalPERS has continued to make appointments and pay its exempt investments staff and actuary, relying upon a market-based compensation strategy established to attract and retain highly-skilled managers to fulfill the Board's substantial fiduciary responsibilities. The total compensation includes a percentage differential of base pay for meeting quantifiable standards established by the CalPERS Board of Administration.

In response to a lawsuit brought by the State Controller, in February 2003, the Court of Appeal for the 3rd District of California held that Article XVI of the California State Constitution limited the number of exempt positions within CalPERS and that compensation paid to employees was subject to the authority of DPA. In response to the Court's determination, and to allow CalPERS time to develop an appropriate classification and pay plan for its existing exempt investment-related and actuary positions, DPA agreed to allow the subject exempt employees to be appointed to a class entitled Special Consultant and continue to perform existing duties and receive existing salary rates on a temporary authorization basis.

Recent passage of SB 269, Soto, authorizes the CalPERS Board of Administration to appoint and fix the compensation of Investment Officers, Portfolio Managers and an Actuary even though such employees are civil service appointees. Such appointees are to be designated Managerial pursuant to Government Code Section 18801.1.

This proposal establishes appropriate civil service classifications for Investment Office staff and the Chief Actuary. Establishment of such classes will allow CalPERS to examine and make civil service appointments for the functions cited in SB 269, correctly allocate duties presently being performed, and compensate employees within the legal parameters of the new legislation.

CLASSIFICATION CONSIDERATIONS

2. What classification(s) does the subject class(es) report to?

The Chief Investment Officer reports both to the Chief Executive Officer and the Board of Administration of the California Public Employees' Retirement System.

The Senior Investment Officers report to the Chief Investment Officer.

Senior Portfolio Managers report to Senior Investment Officers.

Portfolio Managers report to Senior Portfolio Managers, where such positions exist, or to Senior Investment Officers.

The Chief Actuary also reports both to the Chief Executive Officer and the Board of Administration of the California Public Employees' Retirement System..

3. Will the subject class(es) supervise? If so, what class(es)?

The Chief Investment Officer, Senior Investment Officers and Senior Portfolio Managers have responsibility for supervision of Portfolio Managers and other incumbents in existing civil service classes, such as Investment Officer II, Retirement Systems. The Chief Actuary provides direct supervision to an incumbent in the Career Executive Assignment category, as well incumbents in civil service classes such as Supervising Pension Actuary.

4. What are the specific duties of the subject class(es)?

The Chief Investment Officer functions as the Chief of the Investment Office and is responsible for managing the various investment programs and implementing investment strategies and policies as appropriate, advises the Board of Administration on investment asset allocation and risk assessment of new and innovative investment strategies. The incumbent reviews and evaluates investment policies, objectives and strategies; advises the Investment Committee on investment theories and styles, quantitative strategies and characteristics, as well as changing conditions of American and international markets; reviews and monitors asset allocation strategy and recommends changes as needed; oversees CalPERS' full spectrum of internally managed assets, ensuring performance, cost effectiveness and fit with the overall portfolio; reviews and monitors performance of outside investment managers and makes recommendations for change to the Investment Committee; negotiates fees with investment managers and monitors agreed-upon payments; produces the annual plan for the investment office; establishes work flow and priorities; reviews and monitors the performance of external investment managers; works with actuaries to foster understanding of the relationship between system assets and liabilities, and performs other related duties.

Senior Investment Officers (Global Equities, Fixed Income, Alternative Investments, and Real Estate) function as Program Managers within their area of specialty, and are responsible for the overall management of their specific portfolio type. Incumbents provide leadership, and develop and implement investment strategies, policies and recommendations for allocation of assets; participate as members of the senior management team, and represent the CalPERS Board of Administration and the Investment Office to the Legislature, external investment communities and the media on issues relative to their investment specialty. Typical tasks include analyzing and evaluating new and innovative investment strategies; coordinating their individual program function with all other investment programs to ensure consistency and high quality across asset classes, portfolios and investment strategies; establishing objectives and performance standards; monitoring and evaluating performance of staff relative to the achievement of objectives; having frequent interactions with the investment community; preparing reports and agenda items and making presentations before the Investment Committee and the Board of Administration; participating in the selection of investment staff, external advisors and consultants; and acting as a representative of CalPERS before the legislature, the media and the investment community.

The Senior Investment Officer (Asset Allocation/Risk Management) manages the centralized Asset Allocation and Risk Management function; develops overall strategy and implements an

enterprise-wide Risk Management program that addresses the key risks faced in the investment of the CalPERS' assets to improve returns or better manage associated risk; creates a "risk conscious" culture; translates complex quantitative concepts into understandable implications; identifies current risks, anticipates future risks, mitigates unintended risks; and allocates risk to earn the highest return at the chosen level of risk.

Senior Portfolio Managers (Global Equities, Fixed Income, Alternative Investments and Real Estate) function as Assistant Program Managers within their area of specialty, and are responsible for providing guidance and supervision to Portfolio Managers, external investment managers, and other administrative functions on behalf of the Senior Investment Officer, and may act for the Senior Investment Officer in his/her absence. Incumbents supervise subordinate staff; analyze and evaluate new and innovative investment strategies, programs and vehicles; may personally negotiate complex and sensitive partnership, co-investment and other agreements; establish guidelines and make and approve tactical purchase and sale decisions; monitor and report on deviations from benchmarks; serve as portfolio managers for specific volatile portfolios; provide asset allocation recommendations; participate in decisions to make tactical changes; prepare Board and Investment Committee reports; and ensure that asset allocation decisions are implemented.

Portfolio Managers (Global Equities, Fixed Income, Alternative Investments and Real Estate) are responsible for managing a major portfolio or portfolio group or investment function within their area of specialty. Incumbents manage the day-to-day implementation of investment strategies and policies and ensure that investments for which they are responsible achieve strategic returns and risk objectives. They may recommend new and innovative strategies and are expected to make significant contributions to the investment team in establishing overall strategies within their area of specialty.

The Investment Managers (Asset Allocation/Risk Assessment) assist in the management of the centralized asset allocation and risk management programs. Incumbents may plan and supervise work of subordinate staff; management the day-to-day implementation of a major program element (either asset allocation or risk manage or other specialized quantitative assessment function); provide expert consultation to the Board in their area of expertise; and assist in developing program-wide policies relative to investment decision-making.

The Chief Actuary manages the actuarial and employer services functions, and provides expert actuarial advice to the Board of Administration and its committees. The incumbent plans, organizes, directs and evaluates the work of actuarial staff; presents reports and analyses to the Board of Administration and its committees regarding investigations, valuations, rate structures, health benefits and reserve funds; establishes liability and contribution requirements for CalPERS contractors; directs the compilation of revised rate schedules and actuarial tables; reviews and recommends changes in actuarial and statistical data; confers with public agencies and officials on actuarial matters and appears before elected boards and legislative committees. The incumbent also provides direction to staff engaged in employer services functions, including administering contracts for retirement programs for school and public agency employers; administering the automated communication exchange system; providing contractual information and personal assistance regarding retirement and social security programs; and administering the master contract agreement to provide Social Security coverage for State university, public school and other public agencies.

5. What is the decision-making responsibility of the subject class(es)?

The Chief Investment Officer directs the CalPERS investment program, and represents CalPERS in the investment marketplace, and with the Legislature and media, to ensure appropriate fiduciary response to investment strategies and policies within the Investment Office; manages internal staff; and establishes work flow and priorities, and ensures that investments earn returns above established benchmarks.

Senior Investment Officers (Global Equities, Fixed Income, Alternative Investments and Real Estate) develop and manage the implementation of investment strategies and policies within their area of specialty; seek new and innovative investment programs and strategies; manage internal staff and external investment consultants, monitoring and evaluating their performance; and ensure that all investments earn the highest rate of return at prudent levels of risk.

The Senior Investment Officers (Asset Allocation/Risk Management) manages the centralized asset allocation and risk management functions; develops overall strategies and implements new enterprise-wide programs; creates a "risk conscious" culture; manages the implementation of risk management technology; manages internal staff and consultants and external advisors, monitoring and evaluating performance; and ensures that asset allocation and risk management programs meet the needs of the Board of Administration and other executive management.

Senior Portfolio Managers (Global Assets, Fixed Income, Alternative Investments, and Real Estate) function as Assistant Program Managers and manage the implementation of investment strategies and policies within their area of specialty; analyze and recommend new and innovative investment strategies; develop and provide consultation to management; monitor and evaluate performance of subordinates and external managers; prepare and present reports and recommendations to the Investment Committee and ensure that investments earn above established benchmarks.

Portfolio Managers (Global Assets, Fixed Income, Alternative Investments, and Real Estate) manage the day-to-day activities of their assigned portfolio(s); identify and communicate with and recommend companies to be included in future activities; and monitor the financial and corporate performance of companies within their assignment; and make significant contributions to their team of investment managers in establishing overall investment strategy for CalPERS investments.

Investment Managers (Asset Allocation/Risk Management) manage the day-to-day implementation of risk management technology; provide consultative services in the evaluation of external advisors, ensure that asset allocation and risk management programs meet the needs of the Board of Administration and other executive management.

6. What would be the consequence of error if incumbents in the subject class(es) did not perform their jobs? (Program problems, lost funding, public safety compromised, etc.)

The consequence of error for all of the proposed classes is high, and inappropriate exercise of judgment could result in a substantial loss of funds which could negatively impact the ability of CalPERS to continue to fund its programs and provide for its members. Poorly executed investment policies and practices could cause embarrassment to the department and the State, as well as weaken the department's abilities to leverage financial opportunities within the investment community. The ultimate result could be an increase in employer contribution rates or decrease or loss of funding for hundreds of thousands of members of CalPERS.

7. What are the analytical requirements expected of incumbents in the subject class(es)?

The analytical requirements for the proposed classes are similar in scope, but vary in depth. At all levels, incumbents must possess in-depth understanding of economic principles and trends which may impact their specialized investment program; understand the principles of investment policy development, asset allocation, and portfolio construction; understand sources of data and various analytical techniques used to analyze investments; understand computer applications used in investment management; and be well informed about various investment consulting sources. At higher levels, incumbents must also possess knowledge of various investment management and administrative functions; program planning techniques; as well as supervisory and management skills.

The Chief Actuary must have in-depth understanding of all facets of actuarial science, including assumptions and methods used to determine the costs, rate structures and reserve funds for defined benefit retirement programs. The incumbent must be able to make complex actuarial and statistical computations, investigations and valuations; understand scientific computer programs; must be proficient in budgeting principles and practices; as well as possess well-defined supervisory and managerial skills.

8. What are the purpose, type, and level of contacts incumbents in the subject class(es) make?

At all levels, incumbents have interaction with the Board of Administration, committee members and internal executive staff; external consultants and advisors, legal staff, legislative committee members and staff, subordinate internal staff, media, and others involved in the investment community. Incumbents prepare and present reports which assist the Board of Administration and its committees in establishing policies and investment strategies; monitor and evaluate performance of external investment managers; provide technical information regarding legal issues; respond to legislative requests; supervise or lead internal staff; provide requested information to the media; and interact with members of the investment community on all levels of investment activities.

NEED FOR NEW CLASS (if necessary)

9. For New classes only: what existing classes were considered and why were they not appropriate?

It was agreed upon by DPA and CalPERS that new civil service classes be established to replace exempt appointments within the Investment Office and Actuarial and Employer Services Division. No other existing civil service classes appropriately describe the work performed, nor allow for examination and appointment of individuals to perform the tasks necessary to fulfill the functions of the Investment Office and Actuarial Program.

MINIMUM QUALIFICATIONS

10. What are the proposed or current minimum qualifications of the subject class(es), and why are they appropriate? (Include inside and outside experience patterns.)

Minimum Qualifications for the Chief Investment Officer include three years of experience as a Senior Investment Officer; five years of experience as a Senior Portfolio Manager; or seven years of outside experience planning and directing the work of staff engaged in management or trading of a varied and complex investment portfolio; and equivalent to graduation from college with major work in business administration, economics, finance or a closely related field.

Minimum Qualifications for Senior Investment Officers include two years of experience as a Senior Portfolio Manager in the attendant parenthetical specialty; five years of experience as a Portfolio Manager in the attendant parenthetical specialty; or seven years of broad and extensive investment management experience pertinent to the parenthetical specialty, including some supervision of professional staff; and equivalent to graduation from college with major work in business administration, economics, finance or a closely related field.

Minimum Qualifications for Senior Portfolio Managers include two years of experience as a Portfolio Manager in the attendant parenthetical specialty or seven years of broad and extensive investment management experience pertinent to the parenthetical specialty, including some experience leading professional staff; and equivalent to graduation from college with major work in business administration, economics, finance or a closely related field.

Minimum Qualifications for Portfolio Managers and the Investment Manager include two years of experience performing the duties of an Investment Officer II, Retirement Systems with an assignment in the attendant parenthetical specialty, or five years of broad and extensive investment management experience pertinent to the parenthetical specialty and equivalent to graduation from college with major work in business administration, economics, finance or a closely related field.

Minimum Qualifications for the Chief Actuary include two years performing the duties of a Supervising Pension Actuary and possession of an Associateship in the Society of Actuaries; or seven years of broad and extensive pension actuary experience, at least five years of which must have been supervising a team of actuaries in a private pension program, a consulting actuarial firm, or a comparable pension actuarial position in another governmental agency and equivalent to graduation from college with specialization in actuarial science, mathematics, statistics, computer science or a closely related field.

All of the inside patterns provide promotional opportunity for lower level staff within the specific investment specialty and are similar in scope to existing civil service classes within the investment and actuarial functions. The outside patterns provide a pool of candidates with pertinent experience and knowledge of investment and actuarial processes appropriate to the level of the class and specialty.

PROBATIONARY PERIOD☐ Six Months

11. If a probationary period other than six months is proposed, what is the rationale?

All classes in the proposal will be designated Managerial, and accordingly be established with 12-month probationary periods.

STATUS CONSIDERATIONS (see additional information in Part D).

12. What is the impact on current incumbents?

There are no status considerations impacted by this proposal, as incumbents currently performing the tasks of the proposed classes are appointed under Temporary Authorizations in the Special Consultant class, and will necessarily participate in examinations administered on an open basis to qualify for list appointments.

13. Will current employees move by examination, transfer, reallocation, split-off, etc.? Explain rationale.

All employees impacted by the establishment of the proposed classes will participate in open examinations and receive list appointments upon successful participation in an open examination.

CONSULTED WITH:

14. In addition to the departmental contacts listed on the cover sheet, list the names and affiliations of persons who were consulted during the development of this proposal.

Dave Caffrey, Cooperative Personnel Services
Pete Strom, Cooperative Personnel Services
Marie Powell, Cooperative Personnel Services

CALIFORNIA STATE ²¹¹PERSONNEL BOARD

SPECIFICATION

Schematic Code: LP11
Class Code: 5407
Established:
Revised: --
Title Changed: --

CHIEF ACTUARY, PUBLIC EMPLOYEES' RETIREMENT SYSTEM

DEFINITION

Under the policy direction of the Board of Administration and the administrative direction of the Chief Executive Officer, to manage the actuarial and employer services functions of the Public Employees' Retirement System (CalPERS); to provide expert actuarial advice and consultation to the CalPERS Board of Administration and its committees; and to do other related work.

TYPICAL TASKS

Plans, organizes, directs, and evaluates the work of CalPERS actuarial staff; provides regular and special reports and analyses to the Board of Administration and its committees on actuarial investigations, valuations, rate structure, health benefits, and reserve funds; proposes benefit computation and interest rate changes; establishes the liability and contribution requirements of the state, school, and contracting public agencies, and recommends the adjustment of reserves; establishes the plan of contribution for funding of liabilities; directs the compilation of revised rate schedules and actuarial tables; reviews and recommends changes in the detail of actuarial and statistical data; participates in the selection of actuarial consultants and coordinates their work; recommends changes in law and directs actuarial studies to determine the cost of proposed legislation; confers with public agencies and state officials on actuarial matters and appears before elected boards and legislative committees.

Provides direction to the staff engaged in employer service functions, including administering contracts for retirement programs for school and public agency employers throughout the state; administering the automated communication exchange system; providing contractual information and personal assistance, primarily on retirement and Social Security programs; administering the State and federal master agreement to provide Social Security coverage for State university and for school and public agency employers; developing and conducting various education programs covering membership and payroll processing

requirements, new legislation and programs, and other retirement matters of interest to employers; and balancing and updating payroll information received from state, school, and public agency employers.

MINIMUM QUALIFICATIONS

Either I

Experience: Two years in the California state Service performing the duties of a Supervising Pension Actuary. and

Possession of an Associateship in the Society of Actuaries.

Or II

Experience: Four years in the California state service performing the duties of a Senior Pension Actuary. and

Possession of an Associateship in the Society of Actuaries.

Or III

Experience: Seven years of broad and extensive pension actuarial experience setting actuarial assumptions, processing or overseeing actuarial evaluations of defined benefit plans, and producing actuarial valuation reports, at least five years of which must have been supervising a team of actuaries in either (1) a private pension program, or (2) a consulting actuarial firm working with employee pension programs, or (3) a comparable pension actuarial position in another governmental agency. (Qualifying experience in the California state service must be at a level of responsibility comparable to a Senior Pension Actuary.) and

Education: Equivalent to graduation from college with a specialization in actuarial science, mathematics, statistics, computer science, or a closely related field. and

Possession of an Associateship in the Society of Actuaries.

KNOWLEDGE AND ABILITIES

Knowledge of: Principles of actuarial science, with emphasis on retirement systems; fundamentals of a sound retirement system; actuarial assumptions and methods used to determine the costs, rate structures and reserve funds for defined benefit retirement programs; actuarial, funding, and related factors affecting health benefit programs; the statistical techniques and computer applications used in actuarial analysis for retirement and related benefit programs; budgeting principles and practices; and principles and practices of supervision and management, including the manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Ability to: Make complex and extensive actuarial and statistical computations; make complex and extensive actuarial investigations and valuations, often requiring the development of complex scientific computer programs and to draw and apply correct conclusions from the results; work with and gain the confidence of the CalPERS Board of Administration, and present the conclusions and implications of actuarial analyses in terms that can be readily understood by non-actuaries; prepare difficult and technical actuarial and statistical reports; direct and evaluate the work of external actuarial consultants; work effectively with a broad variety of external contacts, including the legislature and public agency boards and officials; and plan and direct the work of subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SPECIAL PERSONAL CHARACTERISTICS

Acts in a professional manner and demonstrates a high degree of integrity, honesty and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

CALIFORNIA STATE PERSONNEL BOARD

SPECIFICATION

Schematic Code: JV56
Class Code: 4692
Established:
Revised: --
Title Changed: --

CHIEF INVESTMENT OFFICER,
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

DEFINITION

Under the policy direction of the Board of Administration Investment Committee and the administrative direction of the Chief Executive Officer, to manage the investment programs of the Public Employees' Retirement System (CalPERS), including implementation of investment strategies and policies and the management of investment staff; to advise the Board of Administration on investment asset allocation and the development of new and innovative investment strategies; and to do other related work.

TYPICAL TASKS

Reviews and evaluates investment policies and objectives on a continuous basis in conjunction with the Investment Committee; advises the Committee on investment theories and investment styles, quantitative strategies, and characteristics and changing conditions of domestic and international markets; makes strategic and tactical investment recommendations to the Committee; keeps current on domestic and international economic trends and investment vehicles in order to effectively foster consideration of new ideas to maximize investment returns with prudent risk; reviews and monitors asset allocation strategy; recommends changes as necessary; and produces an annual plan for the investment office.

Oversees CalPERS' full spectrum of internally managed assets, ensuring solid performance, cost effectiveness, and strategic fit with the overall investment portfolio; manages investment office staff, monitoring and evaluating performance directly or through subordinate supervisors, establishing work flow and setting priorities, and ensuring that investments earn returns above established benchmarks; proposes expanding internal management capabilities as appropriate; reviews and monitors performance of external investment managers and makes recommendations to the Committee regarding the external management of investments; negotiates fees with external investment managers and the investment custodian, and monitors agreed upon payments.

Upholds and maintains highly constructive shareholder activism; represents CalPERS in the investment marketplace and with the legislature and media in an appropriate fiduciary manner; represents CalPERS at investment conferences and roundtables; works with staff actuaries to foster a cooperative understanding of the relationship between pension system assets and liabilities; contributes an innovative perspective on management issues in the public and private environment.

MINIMUM QUALIFICATIONS

Either I

Experience: Three years of experience in the California state service performing the duties of a Senior Investment Officer, Public Employees' Retirement System.

Or II

Experience: Five years of experience in the California state service performing the duties of a Senior Portfolio Manager, Public Employees' Retirement System.

Or III

Experience: Seven years of experience in planning and directing the work of staff engaged in the management or trading of a varied and complex investment portfolio for a major financial institution or firm, or government agency. Qualifying State experience must be at a level comparable to that of a Senior Portfolio Manager, Public Employees' Retirement System. and

Education: Equivalent to graduation from college with major work in business administration, economics, finance, or a closely related field.

(Possession of an advanced degree in one of the fields included above, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification, such as a Certified Public Accountant, may be substituted for one year of the required experience.)

KNOWLEDGE AND ABILITIES

Knowledge of: Global economic principles and trends, and their impact on multifaceted investment programs; investment vehicles and markets, including equities, fixed assets, real estate, and alternative investments; principles of investment policy development, asset allocation, and portfolio construction and management; sources of information and methods for evaluating various investment alternatives; budgeting principles and practices; computer applications used in investment management operations; and external investment consulting resources; and principles and practices of

supervision and management, including a manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Ability to: Manage a large and complex investment program, and integrate various investment classes and approaches to achieve overall investment objectives; gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the Board of Administration and gain their confidence; provide expert, policy-level investment consultation to the Board of Administration, and develop investment options and strategies that are consistent with their investment objectives and policies; evaluate a broad variety of investment options, and reach prudent investment management decisions; adapt effectively to changing market conditions; maintain up-to-date knowledge of economic and investment trends and ideas, and use that knowledge to develop innovative investment strategies; direct and evaluate the work of external investment managers; work effectively with a broad variety of external contacts, including top level corporate, financial, and government officials; and plan and direct the work of subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SPECIAL REQUIREMENT

Must be able to qualify for a surety bond.

SPECIAL PERSONAL CHARACTERISTICS

Acts in a professional manner and demonstrates a high degree of integrity, honesty, and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

CALIFORNIA STATE PERSONNEL BOARD

SPECIFICATION

SENIOR INVESTMENT OFFICER/MANAGER,
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ASSET ALLOCATION/RISK MANAGEMENT)

Series Specification
(Established _____)

SCOPE

This series specification describes the classifications that are used in development and implementation of the centralized asset allocation and risk management programs for the Public Employees' Retirement System (CalPERS) investment portfolio.

<u>Schem</u> <u>Code</u>	<u>Class</u> <u>Code</u>	<u>Class</u>
JV35	4668	Investment Manager, Public Employees' Retirement System (Asset Allocation/Risk Management)
JV34	4669	Senior Investment Officer, Public Employees' Retirement System (Asset Allocation/Risk Management)

DEFINITION OF SERIES

The classifications in this series are responsible for developing, recommending, implementing, and evaluating the centralized asset allocation and risk management programs for the CalPERS investment portfolio; working with external consultants to develop projections and assumptions regarding investment returns and risks; conducting workshops for the Board of Administration to identify and reach decisions on the key factors influencing asset allocation and risk management; developing asset allocation models for consideration by the Board of Administration and providing expert consultation to the Board on asset allocation and risk management issues; incorporating consideration of pension payment liabilities into the consideration of asset allocation and risk management alternatives; managing the implementation of the Board's asset allocation decisions; developing and proposing new and innovative asset allocation and risk management strategies; conducting various educational seminars for Board members and staff on asset allocation and risk management; screening, setting objectives for, overseeing, and evaluating the work of external consultants; planning, directing, and evaluating the work of subordinate staff; and assisting in the recruitment, selection, and development of asset allocation/risk management staff.

Senior Investment Officer/Manager, Public
Employees' Retirement System (Asset
Allocation/Risk Management), Series

-2-

Incumbents in these classifications are also responsible for identifying and monitoring current risks, anticipating future risks, and developing strategies for mitigating unintended risks; allocating the total amount of risk approved by the Board among the various investment programs, with the goal of maximizing total returns within the total amount of planned risk exposure; determining the risk correlations among various investment classes; providing expert consultation on risk management to professional staff in other CalPERS investment programs; implementing the technology required for effective risk management, including oversight of the data management of the holdings and related benchmarks within the risk management technology solution for the entire CalPERS investment fund; utilizing complex quantitative models to evaluate investment risks within the CalPERS portfolio; researching and developing methods to improve risk management techniques, including improved methods to model risks for specific investment classes, methods for managing risks in extreme environments, and methods for rebalancing the investment fund; and performing other related work.

ENTRY LEVELS

Entry into this series may be at any level in the series.

FACTORS AFFECTING POSITION ALLOCATION

The nature and scope of administrative responsibility; leadership and supervision exercised, particularly with regard to incumbents in classes within this class series; and reporting relationship.

DEFINITION OF LEVELS

INVESTMENT MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ASSET ALLOCATION/RISK MANAGEMENT)

Positions in this class are responsible for assisting in the management of the centralized asset allocation and risk management programs. In this capacity, incumbents may plan and supervise the work of subordinate staff, typically in the Investment Officer class series. Incumbents manage the day-to-day implementation of a major program element, such as risk management, and provide expert consultation to the Board and staff in this area. Incumbents also recommend new and innovative strategies, and are expected to make significant contributions to overall investment policy decision-making.

Senior Investment Officer/Manager, Public
Employees' Retirement System (Asset
Allocation/Risk Management), Series

-3-

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ASSET
ALLOCATION/RISK MANAGEMENT)

The position in this class is the manager of the asset allocation/risk management program. In this capacity, the incumbent is responsible for the overall management of the centralized asset allocation and risk management program; participating as a member of the senior management team in the development of the overall CalPERS investment strategies; and representing the CalPERS Board of Administration and the Investment Office before the Legislature, external investment community, and the media on issues relating to asset allocation and risk management.

MINIMUM QUALIFICATIONS

ALL LEVELS

The following education is required when non-California State service is used to qualify at any level:

Education: Equivalent to graduation from college with major work in business administration, economics, finance, mathematics, or a closely related field.

INVESTMENT MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ASSET
ALLOCATION/RISK MANAGEMENT)

Either I

Experience: Two years of experience in the California state service performing the duties of an Investment Officer II, Retirement Systems, with an assignment in the asset allocation/risk management area, or in another area requiring extensive quantitative analysis.

Or II

Experience: Five years of asset allocation or risk management experience involving a large investment, commodity, or energy portfolio, requiring sophisticated quantitative analysis to achieve desired financial objectives within prescribed risk tolerances.

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

Senior Investment Officer/Manager, Public
Employees' Retirement System (Asset
Allocation/Risk Management), Series

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SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ASSET
ALLOCATION/RISK MANAGEMENT)

Either I

Experience: Four years of experience in California state service performing the duties of an Investment Manager, Public Employees' Retirement System (Asset Allocation/Risk Management) or the duties of another CalPERS Portfolio Manager or Senior Portfolio Manager position requiring extensive quantitative analysis.

Or II

Experience: Seven years of asset allocation or risk management experience, including some supervisory experience over professional staff, which involved a large investment, commodity, or energy portfolio, requiring sophisticated quantitative analysis to achieve desired financial objectives within prescribed risk tolerances. Qualifying State experience must be at a level comparable to that of an Investment Manager, Public Employees' Retirement System (Asset Allocation/Risk Management).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

KNOWLEDGE AND ABILITIES

ALL LEVELS:

Knowledge of: Economic principles and trends, and their impact on the management of a large and varied investment portfolio; various types of investments and their characteristics, including equities, fixed income investments, real estate, and alternative investments; asset allocation principles and practices, and the role of asset allocation in meeting pension system objectives; external investment consulting resources, particularly in the areas of asset allocation and risk management; factors affecting pension system decisions on asset allocation and risk, including benefit payment liabilities; investment risk management principles and practices; quantitative analysis used to determine and monitor investment risk; methods for offsetting or mitigating investment risks; computer applications used in asset allocation and risk analysis; and principles and practices of supervision, including the manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Senior Investment Officer/Manager, Public
Employees' Retirement System (Asset
Allocation/Risk Management), Series

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Ability to: Gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the Board of Administration and gain their confidence; organize and present complex investment information, analyses, and alternatives in a manner that can be readily understood by persons who are not investment professionals; use a variety of analytical techniques to develop and analyze asset allocation alternatives; use a variety of quantitative techniques to measure and monitor risk within and across various investment categories; adapt effectively to changing market conditions; work effectively with a broad variety of external contacts, such as external consultants and investment managers; make clear and concise oral and written presentations; establish and maintain cooperative relations with those contacted in the course of work; plan and direct the work of subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ASSET ALLOCATION/RISK MANAGEMENT)

Ability to: All of the above, and provide expert, policy-level consultation to the Board of Administration, and develop asset allocation and risk management options and strategies that are consistent with their investment objectives and policies; and select and manage external consultants.

SPECIAL REQUIREMENT

ALL LEVELS:

Must be able to qualify for a surety bond.

SPECIAL PERSONAL CHARACTERISTICS

ALL LEVELS:

Acts in a professional manner and demonstrates a high degree of integrity, honesty and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

Senior Investment Officer/Manager, Public
 Employees' Retirement System (Asset
 Allocation/Risk Management), Series

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CLASS HISTORY

<u>Class</u>	<u>Date Established</u>	<u>Date Revised</u>	<u>Title Changed</u>
Investment Manager, Public Employees' Retirement System (Asset Allocation/ Risk Management)		--	--
Senior Investment Officer, Public Employees' Retirement System (Asset Allocation/Risk Management)		--	--

CALIFORNIA STATE PERSONNEL BOARD

SPECIFICATION

SENIOR INVESTMENT OFFICER/PORTFOLIO MANAGER,
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)
Series Specification
(Established _____)

SCOPE

This series specification describes the classifications that are used in the management of the alternative investment portion of the Public Employees' Retirement System (CalPERS) investment portfolio.

<u>Schem</u> <u>Code</u>	<u>Class</u> <u>Code</u>	<u>Class</u>
JV29	4657	Portfolio Manager, Public Employees' Retirement System (Alternative Investments)
JV27	4659	Senior Portfolio Manager, Public Employees' Retirement System (Alternative Investments)
JV25	4664	Senior Investment Officer, Public Employees' Retirement System (Alternative Investments)

DEFINITION OF SERIES

The classifications in this series are responsible for managing the implementation of the CalPERS investment strategy for alternative investments, including partnership, co-investment, and direct private equity investments; analyzing and developing new and innovative alternative investment strategies; determining asset allocation among various alternative investment types and classes; establishing procedures for evaluating new investment opportunities; ensuring that alternative investment returns exceed established benchmarks, within a prudent level of risk; preparing and presenting reports to the CalPERS Board of Administration Investment Committee; maintaining appropriate contacts with professional peers in the investment community as a source of valuable investment information; planning, directing, and evaluating the work of subordinate staff; and assisting in the recruitment, selection, and development of alternative investment staff.

Incumbents in these classes are also responsible for providing independent analysis and consultation regarding development and implementation of alternative investment programs and strategies; helping to select and supervising external consultants and advisors, and setting their objectives and performance standards; evaluating, selecting, and negotiating new partnerships and direct investments; conducting due diligence review for proposed investments; evaluating

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System
(Alternative Investments), Series

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terms, documents, agreements, and economic characteristics of investment alternatives; monitoring existing investments, approving contract revisions, and recommending changes in commitment of funds based on investment performance; managing the alternative investment program's capital calls, cash transfers, and receipts; recommending the sale and exit timing for alternative investments and coordinating sales and dispositions; representing CalPERS on limited partnership advisory boards and before the investment community; and performing other related work.

ENTRY LEVELS

Entry into this series may be at any level in the series.

FACTORS AFFECTING POSITION ALLOCATION

The nature and scope of administrative responsibility; leadership and supervision exercised, particularly with regard to incumbents in classes within this class series; and reporting relationship.

DEFINITION OF LEVELS

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ALTERNATIVE INVESTMENTS)

Positions in this class are responsible for managing a major segment of the alternative investment portfolio. In this capacity, incumbents may plan and supervise the work of subordinate staff, typically in the Investment Officer class series. Incumbents manage the day-to-day implementation of investment strategies and policies within their assigned areas, and ensure that the investments for which they are responsible achieve strategic return and risk objectives. Incumbents also recommend new and innovative strategies, and are expected to make significant contributions to the team of investment managers in establishing overall strategy for alternative investments

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)

Positions in this class serve as assistant program managers when the number of portfolio managers, combined with other program characteristics, including the number of investment types, the variety of investment styles and approaches, and the level of investment risk make it impractical for the Senior Investment Officer to directly supervise all of the program's major portfolios and functions. The

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System
(Alternative Investments), Series

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leadership provided by incumbents in this classification may include supervision or guidance of Portfolio Managers, performance of investment management and internal administrative functions on behalf of the Senior Investment Officer, and acting for the Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)

The position in this class is the manager of the alternative investment program. In this capacity, the incumbent is responsible for the overall management of the alternative investment program, including implementation of alternative investment strategies and policies; allocation of assets among various investment types; participating as a member of the senior management team in the development of the overall CalPERS investment strategies; and representing the CalPERS Board of Administration and the Investment Office before the Legislature, external investment community, and the media on issues relating to alternative investments.

MINIMUM QUALIFICATIONS

ALL LEVELS

The following education is required when non-California state service is used to qualify at any level:

Education: Equivalent to graduation from college with major work in business administration, economics, finance, or a closely related field.

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (ALTERNATIVE INVESTMENTS)

Either I

Experience: Two years of experience in the California state service performing the duties of an Investment Officer II, Retirement Systems, with an assignment in the alternative investment area.

Or II

Experience: Five years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff; and review of a large portfolio of alternative investments. Qualifying State experience must be at a level comparable to that of an Investment Officer II, Retirement Systems.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System
(Alternative Investments), Series

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(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related degree; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)

Either I

Experience: Two years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Alternative Investments).

Or II

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff; and review of a large portfolio of alternative investments. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Alternative Investments).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related degree; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)

Either I

Experience: Two years of experience in the California state service performing the duties of a Senior Portfolio Manager, Public Employees' Retirement System (Alternative Investments).

Or II

Experience: Four years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Alternative Investments).

Or III

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some supervisory experience over professional staff; and review of a large portfolio of alternative investments.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System
(Alternative Investments), Series

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Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Alternative Investments).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

KNOWLEDGE AND ABILITIES

ALL LEVELS:

Knowledge of: Economic principles and trends, and their impact on alternative investment portfolios; various global capital and private equity markets; the roles of various private equity industry participants, including general partners, limited partners, consultants, attorneys, and placement agents; issues facing limited partners, including disclosure and reporting; role and appropriateness of alternative investments as an asset class for pension funds; limited partnership agreements and other related documents; the entire process for alternative investments, including screening, due diligence, negotiation and closure, monitoring, reporting, restructuring, and exiting; contents, interrelationships, and workings of balance sheets, income statements, and cash flow statements; computer applications used in investment management operations; external investment consulting resources; and principles and practices of supervision, including the manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Ability to: Gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the Board and gain their confidence; perform financial and investment analysis and reach sound investment conclusions; maintain an up-to-date knowledge of economic and investment trends and ideas, and use that knowledge to develop innovative alternative investment strategies; negotiate alternative investment agreements; adapt effectively to changing market conditions; work effectively with a broad variety of external contacts, such as external consultants and investment partners; make clear and concise oral and written presentations; establish and maintain cooperative relations with those contacted in the course of

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System
(Alternative Investments), Series

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work; plan and direct the work of subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)

Ability to: All of the above, and assist in planning and directing the alternative investment program; perform various investment management and internal administrative functions on behalf of the Senior Investment Officer; and act as Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(ALTERNATIVE INVESTMENTS)

Ability to: All of the above, and provide expert, policy-level investment consultation to the Board of Administration, and develop investment options and strategies that are consistent with their investment objectives and policies; and manage a large and diverse alternative investment program.

SPECIAL REQUIREMENT

ALL LEVELS:

Must be able to qualify for a surety bond.

SPECIAL PERSONAL CHARACTERISTICS

ALL LEVELS:

Acts in a professional manner and demonstrates a high degree of integrity, honesty, and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System
(Alternative Investments), Series

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CLASS HISTORY

<u>Class</u>	<u>Date Established</u>	<u>Date Revised</u>	<u>Title Changed</u>
Portfolio Manager, Public Employees' Retirement System (Alternative Investments)		--	--
Senior Portfolio Manager, Public Employees' Retirement System (Alternative Investments)		--	--
Senior Investment Officer, Public Employees' Retirement System (Alternative Investments)		--	--

CALIFORNIA STATE PERSONNEL BOARD**SPECIFICATION**

SENIOR INVESTMENT OFFICER/PORTFOLIO MANAGER,
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Series Specification
(Established _____)

SCOPE

This series specification describes the classifications that are used in the management of the fixed income portion of the Public Employees' Retirement System (CalPERS) investment portfolio.

<u>Schem</u> <u>Code</u>	<u>Class</u> <u>Code</u>	<u>Class</u>
JV43	4670	Portfolio Manager, Public Employees' Retirement System (Fixed Income)
JV41	4674	Senior Portfolio Manager, Public Employees' Retirement System (Fixed Income)
JV39	4676	Senior Investment Officer, Public Employees' Retirement System (Fixed Income)

DEFINITION OF SERIES

The classifications in this series are responsible for managing the implementation of the CalPERS investment strategy for global fixed income investments; analyzing and developing new and innovative fixed income investment and currency strategies; evaluating a wide array of global fixed income investment vehicles and determining asset allocation among various fixed income types and classes; recommending the development and revision of fixed income investment policies and procedures; making and approving tactical purchase and sale decisions to ensure that fixed income portfolio returns exceed established benchmarks, within a prudent level of risk; preparing and presenting reports to the CalPERS Board of Administration Investment Committee; maintaining appropriate contacts with professional peers in the investment and broker dealer communities as a source of valuable investment information; planning, directing, and evaluating the work of subordinate staff; and assisting in the recruitment, selection, and development of fixed income investment staff.

In various assignments within the global fixed income and currency program, incumbents are also responsible for researching domestic and economic sectors and industries; coordinating the use of external research consultants; performing credit analyses for internal fixed income portfolios; conducting a wide range of research on international investment opportunities and risks, including research on the economies, trade, currency, inflation, capital markets and

political conditions in various countries and regions of the world; selecting, setting performance objectives for, and evaluating external fixed income investment managers; monitoring external currency overlay managers and providing currency management support for internal portfolios; meeting with external security lending agents and monitoring, supervising, and reporting on the security lending programs; evaluating the relative values of and selecting investment instruments within various fixed income categories, including investment grade bonds, convertible bonds, derivatives and cash equivalent instruments, government bonds, asset-backed and mortgage-backed obligations, sovereign securities, and international fixed income instruments; and performing other related work.

ENTRY LEVELS

Entry into this series may be at any level in the series.

FACTORS AFFECTING POSITION ALLOCATION

The nature and scope of administrative responsibility; leadership and supervision exercised, particularly with regard to incumbents in classes within this class series; and reporting relationship.

DEFINITION OF LEVELS

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Positions in this class are responsible for managing a major portfolio, portfolio group, or investment function within the fixed income program. Examples of this include the government portfolio, short-duration portfolio, the mortgage and other asset-backed fixed income portfolio, and international or corporate investment research. In this capacity, incumbents may plan and supervise the work of subordinate staff, typically in the Investment Officer class series. Incumbents manage the day-to-day implementation of investment strategies and policies within their assigned areas, and ensure that the investments for which they are responsible achieve strategic return and risk objectives. Incumbents also recommend new and innovative strategies, and are expected to make significant contributions to the team of investment managers in establishing overall strategy for global fixed income investments.

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Fixed Income), Series

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SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Positions in this class serve as assistant program managers when the number of portfolio managers, combined with other program characteristics, including the number of investment types, the variety of investment styles and approaches, and the level of investment risk make it impractical for the Senior Investment Officer to directly supervise all of the program's major portfolios and functions. The leadership provided by incumbents in this classification may include supervision or guidance of Portfolio Managers, performance of investment management and internal administrative functions on behalf of the Senior Investment Officer, and acting for the Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

The position in this class is the manager of the fixed income program. In this capacity, the incumbent is responsible for the overall management of the global fixed income and currency programs, including implementation of fixed income investment strategies and policies and allocation of assets among various fixed income investment types; participating as a member of the senior management team in the development of overall CalPERS investment strategies; and representing the CalPERS Board of Administration and the Investment Office before the Legislature, external investment community, and the media on issues relating to fixed income investments.

MINIMUM QUALIFICATIONS

ALL LEVELS

The following education is required when non-California State service is used to qualify at any level:

Education: Equivalent to graduation from college with major work in business administration, economics, finance, or a closely related field.

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Either I

Experience: Two years of experience in the California state service performing the duties of an Investment Officer II, Retirement Systems, with an assignment in the fixed income area.

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Fixed Income), Series

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Or II

Experience: Five years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff, and review of a large and varied fixed income portfolio. Qualifying State experience must be at a level comparable to that of an Investment Officer II, Retirement Systems.

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Either I

Experience: Two years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Fixed Income).

Or II

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff; and review of a large and varied fixed income portfolio. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Fixed Income).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field, or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Either I

Experience: Two years of experience in the California state service performing the duties of a Senior Portfolio Manager, Public Employees' Retirement System (Fixed Income).

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Fixed Income), Series

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Or II

Experience: Four years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Fixed Income).

Or III

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some supervisory experience over professional staff; and review of a large and varied fixed income portfolio. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Fixed Income).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

KNOWLEDGE AND ABILITIES

ALL LEVELS:

Knowledge of: Economic principles and trends, and their impact on fixed income portfolios; various types of fixed income investment vehicles, such as corporate bonds, government bonds, foreign bonds, mortgage and other asset-backed instruments, fixed income derivatives, and short-term obligations; the markets and procedures for trading fixed income investments; sources of data and the various analytical techniques used to analyze fixed income investments; various ancillary strategies, such as foreign currency overlay, securities lending, and cash management; principles and practices of fixed income portfolio management and construction; computer applications used in investment management operations; external investment consulting resources; and principles and practices of supervision, including the manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Ability to: Gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the Board of Administration and gain their confidence; use a variety of analytical techniques to determine market trends and reach decisions on the purchase and sale of various fixed income instruments; manage assigned portfolios consistent with established risk and return objectives; adapt effectively to changing market conditions; maintain an up-to-date knowledge of economic and investment trends and ideas, and use that knowledge to develop innovative equity investment strategies;

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Fixed Income), Series

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work effectively with a broad variety of external contacts, such as external consultants and investment managers; make clear and concise oral and written presentations; establish and maintain cooperative relations with those contacted in the course of work; plan and direct the work of subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Ability to: All of the above, and assist in planning and directing the fixed income investment program; perform various investment management and internal administrative functions on behalf of the Senior Investment Officer; and act as Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (FIXED INCOME)

Ability to: All of the above, and provide expert, policy-level investment consultation to the Board of Administration, and develop investment options and strategies that are consistent with their investment objectives and policies; manage a large and diverse fixed income investment program; and select and manage external portfolio managers.

SPECIAL REQUIREMENT

ALL LEVELS:

Must be able to qualify for a surety bond.

SPECIAL PERSONAL CHARACTERISTICS

ALL LEVELS:

Acts in a professional manner and demonstrates a high degree of integrity, honesty and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Fixed Income), Series

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CLASS HISTORY

<u>Class</u>	<u>Date Established</u>	<u>Date Revised</u>	<u>Title Changed</u>
Portfolio Manager, Public Employees' Retirement System (Fixed Income)		--	--
Senior Portfolio Manager, Public Employees' Retirement System (Fixed Income)		--	--
Senior Investment Officer, Public Employees' Retirement System (Fixed Income)		--	--

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SPECIFICATION

SENIOR INVESTMENT OFFICER/PORTFOLIO MANAGER,
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Series Specification
(Established _____)

SCOPE

This series specification describes the classifications that are used in the management of the global equity portion of the Public Employees' Retirement System (CalPERS) investment portfolio.

<u>Schem</u> <u>Code</u>	<u>Class</u> <u>Code</u>	<u>Class</u>
JV49	4677	Portfolio Manager, Public Employees' Retirement System (Global Equities)
JV47	4679	Senior Portfolio Manager, Public Employees' Retirement System (Global Equities)
JV45	4681	Senior Investment Officer, Public Employees' Retirement System (Global Equities)

DEFINITION OF SERIES

The classifications in this series are responsible for managing the implementation of the CalPERS investment strategy for domestic and international equities; analyzing and developing new and innovative investment strategies; determining asset allocation among various equity types and classes; recommending a mix of active and passive investment strategies; recommending the development and revision of equity investment policies; ensuring that equity portfolio returns exceed established benchmarks, within a prudent level of risk; preparing and presenting reports to the CalPERS Board of Administration Investment Committee; maintaining appropriate contacts with professional peers in the investment and broker dealer communities as a source of valuable investment information; planning, directing, and evaluating the work of subordinate staff; and assisting in the recruitment, selection, and development of global equity investment staff.

In various assignments within the global equity program, incumbents in these classes are also responsible for managing the external equity program, including selecting external equity managers, determining asset allocations for them, setting performance objectives, and evaluating external manager performance; developing complex quantitative models to construct and manage passive and active equity portfolios; working with quantitative analysts, external research partners, and other consultants to reach decisions on the purchase and

sale of common stock, cash equivalents, and derivatives; acting as the senior equity trader, and providing guidance to other equity traders within the global equity program; developing and implementing systems to monitor and control equity transaction costs; researching and developing hedge fund strategies; developing and implementing CalPERS corporate governance policies and ensuring that CalPERS exercises its shareholder voting responsibilities consistent with those policies; working with targeted companies in which CalPERS has an equity interest to improve their management and profitability; and performing other related work.

ENTRY LEVELS

Entry into this series may be at any level in the series.

FACTORS AFFECTING POSITION ALLOCATION

The nature and scope of administrative responsibility; leadership and supervision exercised, particularly with regard to incumbents in classes within this class series; and reporting relationship.

DEFINITION OF LEVELS

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Positions in this class are responsible for managing a major portfolio, portfolio group, or external manager in the investment function within the global equity program. Examples of this include the passive equity portfolios, the active equity portfolio, and the corporate governance program. In this capacity, incumbents may plan and supervise the work of subordinate staff, typically in the Investment Officer class series. Incumbents manage the day-to-day implementation of investment strategies and policies within their assigned areas, and ensure that the investments for which they are responsible achieve strategic return and risk objectives. Incumbents also recommend new and innovative strategies, and are expected to make significant contributions to the team of investment managers in establishing overall strategy for global equity investments.

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Positions in this class serve as assistant program managers when the number of portfolio managers, combined with other program characteristics, including the number of investment types, the variety

of investment styles and approaches, and the level of investment risk make it impractical for the Senior Investment Officer to directly supervise all of the program's major portfolios and functions. The leadership provided by incumbents in this classification may include supervision or guidance of Portfolio Managers, performance of investment management and internal administrative functions on behalf of the Senior Investment Officer, and acting for the Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

The position in this class is the manager of the global equity program. In this capacity, the incumbent is responsible for the overall management of the global equity program, including implementation of global equity investment strategies and policies, and allocation of assets among various equity types; participating as a member of the senior management team in the development of the overall CalPERS investment strategies; and representing the CalPERS Board of Administration and the Investment Office before the Legislature, external investment community, and the media on issues relating to domestic and international equity investments.

MINIMUM QUALIFICATIONS

ALL LEVELS:

The following education is required when non-California state service is used to qualify at any level:

Education: Equivalent to graduation from college with major work in business administration, economics, finance, or a closely related field.

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Either I

Experience: Two years of experience in the California state service performing the duties of an Investment Officer II, Retirement Systems, with an assignment in the global equities area.

Or II

Experience: Five years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience leading or coordinating professional

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Global Equities), Series

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staff; and review of a large and varied equity portfolio. Qualifying State experience must be at a level comparable to that of an Investment Officer II, Retirement Systems.

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Either I

Experience: Two years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Global Equities).

Or II

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some experience in leading or coordinating professional staff; and review of a large and varied equity portfolio. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Global Equities).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Either I

Experience: Two years of experience in the California state service performing the duties of a Senior Portfolio Manager, Public Employees' Retirement System (Global Equities).

Or II

Experience: Four years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Global Equities).

Or III

Experience: Seven years of broad and extensive investment management experience for a major financial institution or firm, or governmental agency, including some supervisory experience over professional staff; and review of a large and varied equity portfolio. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Global Equities).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

KNOWLEDGE AND ABILITIES

ALL LEVELS:

Knowledge of: Economic principles and trends, and their impact on global equity portfolios; various types of equities, such as common stocks and derivatives, and their markets and methods of purchase; sources of data and the various analytical techniques used to analyze securities and corporate performance; quantitative techniques used in analyzing securities and market trends; principles and practices of portfolio management and construction, and the types and uses of various investment styles; computer applications used in investment management operations; external investment consulting resources; and principles and practices of supervision, including the manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Ability to: Gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the Board of Administration and gain their confidence; use a variety of analytical techniques to determine market trends, reach decisions on the purchase and sale of various equities; manage assigned portfolios consistent with established risk and return objectives; adapt effectively to changing market conditions; maintain an up-to-date knowledge of economic and investment trends and ideas, and use that knowledge to develop innovative equity investment strategies; work effectively with a broad variety of external contacts, such as external consultants and investment managers; make clear and concise oral and written presentations; establish and maintain cooperative relations with those contacted in the course of work; plan and direct the work of

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Global Equities), Series

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subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Ability to: All of the above, and assist in planning and directing the global equity investment program; perform various investment management and internal administrative functions on behalf of the Senior Investment Officer; and act as Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GLOBAL EQUITIES)

Ability to: All of the above, and provide expert, policy-level investment consultation to the Board of Administration, and develop investment options and strategies that are consistent with their investment objectives and policies; manage a large and diverse global equity investment program; and select and manage external portfolio managers.

SPECIAL REQUIREMENT

ALL LEVELS:

Must be able to qualify for a surety bond.

SPECIAL PERSONAL CHARACTERISTICS

ALL LEVELS:

Acts in a professional manner and demonstrates a high degree of integrity, honesty, and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

Senior Investment Officer/Portfolio Manager, Public
Employees' Retirement System (Global Equities), Series

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CLASS HISTORY

<u>Class</u>	<u>Date Established</u>	<u>Date Revised</u>	<u>Title Changed</u>
Portfolio Manager, Public Employees' Retirement System (Global Equities)		--	--
Senior Portfolio Manager, Public Employees' Retirement System (Global Equities)		--	--
Senior Investment Officer, Public Employees' Retirement System (Global Equities)		--	--

CALIFORNIA STATE PERSONNEL BOARD

SPECIFICATION

SENIOR INVESTMENT OFFICER/PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Series Specification
(Established _____)

SCOPE

This series specification describes the classifications that are used in the management of the real estate portion of the Public Employees' Retirement System (CalPERS) investment portfolio.

<u>Schem</u> <u>Code</u>	<u>Class</u> <u>Code</u>	<u>Class</u>
JV55	4684	Portfolio Manger, Public Employees' Retirement System (Real Estate)
JV53	4688	Senior Portfolio Manager, Public Employees' Retirement System (Real Estate)
JV51	4691	Senior Investment Officer, Public Employees' Retirement System (Real Estate)

DEFINITION OF SERIES

The classifications in this series are responsible for managing the implementation of the CalPERS investment strategy for real estate investments, both domestic and international, including, but not limited to, residential, commercial, industrial, and other real properties and/or securities; actively seeking and recommending new and innovative real estate investment strategies; determining asset allocation among various real estate sectors and locations; conducting portfolio management of all facets of the real estate portfolio in an effort to maximize returns and minimize risk; formulating and implementing various real estate investment strategies and programs; developing standards and policies for real estate investing; ensuring that real estate investment returns exceed established benchmarks, within a prudent level of risk; preparing and presenting investment reports to the CalPERS Board of Administration Investment Committee; maintaining appropriate contacts with professional peers in the real estate investment and broker-dealer communities as a source of valuable investment information; planning, directing, and evaluating the work of subordinate staff; and assisting in the recruitment, selection, and development of real estate investment staff.

Incumbents in these classes are also responsible for preparing strategic investment plans for assigned real estate portfolios and analyzing the strategic and annual investment plans produced by external real estate investment managers; overseeing fund allocation decisions to individual partners, disposition activity, leverage levels, both at the partner and portfolio level; overseeing property purchase, management, financing, leasing, development and sale activities at individual partnership levels; evaluating and recommending external real estate investment management teams; negotiating investment partnership, fund, and real estate related agreements; overseeing insurance and cash management type programs that CalPERS and its agents might offer to its partners; overseeing the day-to-day activities of external investment managers and approving capital calls by these managers; developing benchmarks and performance measures for external managers, and presenting investment packages not meeting these standards to the CalPERS Investment Committee for their consideration; conducting on-site property reviews and market analyses; overseeing response to environmental and other regulatory issues; and performing other related work.

ENTRY LEVELS

Entry into this series may be at any level in the series.

FACTORS AFFECTING POSITION ALLOCATION

The nature and scope of administrative responsibility; leadership and supervision exercised, particularly with regard to incumbents in classes within this class series; and reporting relationship.

DEFINITION OF LEVELS

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Positions in this class are responsible for managing a major segment of the real estate portfolio, such as housing, office, retail, industrial and other real property investments and/or related programs. In this capacity, incumbents may plan and supervise the work of subordinate staff, typically in the Investment Officer class series. Incumbents manage the day-to-day implementation of real estate investment strategies and policies within their assigned areas, and ensure that the investments for which they are responsible achieve strategic return and risk objectives. Incumbents also recommend new and innovative strategies, and are expected to make significant contributions to the team of investment managers in establishing overall strategy for real estate investments and making Board and/or outside presentations within their respective areas of responsibility.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System (Real Estate), Series

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SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Positions in this class serve as assistant program managers when the number of portfolio managers, combined with other program characteristics, including the number of investment types, the variety of investment styles and approaches, and the level of investment risk make it impractical for the Senior Investment Officer to directly supervise all of the program's major portfolios and functions. The leadership provided by incumbents in this classification may include supervision or guidance of Portfolio Managers, performance of investment management and internal administrative functions on behalf of the Senior Investment Officer, and acting for the Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

The position in this class is the manager of the real estate investment program. In this capacity, the incumbent is responsible for the overall management of the real estate investment program, including implementation of real estate investment strategies and policies, and allocation of assets among various investment types and locations; participating as a member of the senior management team in the development of the overall CalPERS investment strategies; and representing the CalPERS Board of Administration and the Investment Office before the Legislature, external investment community, and the media on issues relating to real estate investments.

MINIMUM QUALIFICATIONS

ALL LEVELS

The following education is required when non-California State service is used to qualify at any level:

Education: Equivalent to graduation from college with major work in business administration, economics, finance, real estate, or a closely related field.

PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Either I

Experience: Two years of experience in the California state service performing the duties of an Investment Officer II, Retirement Systems, with an assignment in the real estate investment area.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System (Real Estate), Series

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Or II

Experience: Five years of broad and extensive real estate investment experience for a large financial institution, real estate investment or development firm, or governmental agency, including some experience in leading or coordinating professional staff; and review of a large portfolio of real estate investments. Qualifying State experience must be at a level comparable to an Investment Officer II, Retirement Systems.

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Either I

Experience: Two years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Real Estate).

Or II

Experience: Seven years of broad and extensive real estate investment experience for a large financial institution, real estate investment or development firm, or governmental agency, including some experience in leading or coordinating professional staff; and review of a large portfolio of real estate investments. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Real Estate).

(Possession of an advanced degree in one of the fields included above in the education requirement, or a closely related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Either I

Experience: Two years of experience in the California state service performing the duties of a Senior Portfolio Manager, Public Employees' Retirement System (Real Estate).

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System (Real Estate), Series

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Or II

Experience: Four years of experience in the California state service performing the duties of a Portfolio Manager, Public Employees' Retirement System (Real Estate).

Or III

Experience: Seven years of broad and extensive real estate investment experience for a large financial institution, real estate investment or development firm, or governmental agency, including some supervisory experience over professional staff; and review of a large portfolio of real estate investments. Qualifying State experience must be at a level comparable to that of a Portfolio Manager, Public Employees' Retirement System (Real Estate).

(Possession of an advanced degree in one of the fields included above in the education requirement, or other related field; or certification as a Chartered Financial Analyst or other equivalent financial or accounting certification such as a Certified Public Accountant, may be substituted for one year of the required experience.)

KNOWLEDGE AND ABILITIES

ALL LEVELS:

Knowledge of: Economic principles and trends, and their effect on real estate investments; large scale institutional real estate investments, such as major residential or commercial developments, and their markets and market trends; financing and capital markets for major real estate investments; principles and practices for appraising the value of large properties, such as apartment buildings, shopping centers, or industrial developments; performance measurement practices, real estate and contract law, and the legal procedures and documents involved with real estate transactions and agreements; procedures and requirements for the purchase and sale of real estate; due diligence requirements for major real estate investments; real estate legal ownership (i.e., partnerships, LLCs, REITs, etc.) structures, fees, and characteristics; environmental, labor relations, zoning, and other issues involved with real property ownership and development; property management and leasing requirements and practices; principles and practices of real estate portfolio construction and management; balance sheets, income statements, and other financial statements involved in the analysis of real estate investments; computer applications used in real estate investment management; external investment consulting resources; and principles and practices of supervision, including the manager's/supervisor's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free of discrimination and harassment.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System (Real Estate), Series

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Ability to: Gather and analyze a broad range of economic and investment information, and synthesize it into concise and coherent conclusions and recommendations; work effectively with the Board and gain their confidence; perform financial and real estate investment analysis and reach sound conclusions; set reasonable benchmarks and performance criteria for real estate investments and monitor them effectively; adapt effectively to changing real estate market conditions; maintain an up-to-date knowledge of economic and investment trends and ideas, and use that knowledge to develop innovative real estate investment strategies; work effectively with a broad variety of external contacts, such as external consultants and investment partners and negotiate agreements that uphold and further CalPERS investment interests; make clear and concise oral and written presentations; establish and maintain cooperative relations with those contacted in the course of work; plan and direct the work of subordinate staff, while effectively promoting equal opportunity in employment and maintaining a work environment that is free of discrimination and harassment.

SENIOR PORTFOLIO MANAGER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM
(REAL ESTATE)

Ability to: All of the above, and assist in planning and directing the real estate investment program; perform various investment management and internal administrative functions on behalf of the Senior Investment Officer; and act as Senior Investment Officer in his/her absence.

SENIOR INVESTMENT OFFICER, PUBLIC EMPLOYEES' RETIREMENT SYSTEM (REAL ESTATE)

Ability to: All of the above, and provide expert, policy-level investment consultation to the Board of Administration, and develop investment options and strategies that are consistent with their investment objectives and policies; manage a large and diverse real estate investment program; and effectively allocate assigned assets among various investment categories.

SPECIAL REQUIREMENT

ALL LEVELS:

Must be able to qualify for a surety bond.

Senior Investment Officer/Portfolio Manager,
Public Employees' Retirement System (Real Estate), Series

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SPECIAL PERSONAL CHARACTERISTICS

ALL LEVELS:

Acts in a professional manner and demonstrates a high degree of integrity, honesty and ethical behavior; demonstrates openness and trust; establishes and builds rapport by modeling values-based behaviors; exhibits strong interpersonal and mentoring skills; promotes teamwork and cross-functional collaboration and communication in support of CalPERS strategic goals; and promotes a high-performance culture where employees are encouraged and enabled to perform to their greatest potential.

CLASS HISTORY

<u>Class</u>	<u>Date Established</u>	<u>Date Revised</u>	<u>Title Changed</u>
Portfolio Manager, Public Employees' Retirement System, (Real Estate)		--	--
Senior Portfolio Manager, Public Employees' Retirement System (Real Estate)		--	--
Senior Investment Officer, Public Employees' Retirement System (Real Estate)		--	--